

1 ☐ **Supply & Demand**

2 ☐ **New Policy for Assessments**

- Due to your incredibly low test scores, We are going to implement a new policy.

3 ☐

4 ☐ **Law of Demand**

- The law of demand states that other factors being constant (ceteris paribus), price and quantity demanded of any good and service are inversely related to each other. When the price of a product increases, the demand for the same product will fall.

5 ☐ **Law of Supply**

- The law of supply is a fundamental principle of economic theory which states that, all else equal, an increase in price results in an increase in quantity supplied. In other words, there is a direct relationship between price and quantity: quantities respond in the same direction as price changes.

6 ☐ **Law of Supply & Demand**

- The law of supply states that the quantity of a good supplied (i.e., the amount owners or producers offer for sale) rises as the market price rises, and falls as the price falls. Conversely, the law of demand (see demand) says that the quantity of a good demanded falls as the price rises, and vice versa.

7 ☐ **Equilibrium**

- The equilibrium price and quantity in a market is located at the intersection of the market supply curve and the market demand curve